

Combating money woes: Study looking at financial resiliency of soldiers

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(PhysOrg.com) -- Two Kansas State University researchers are crunching the numbers when it comes to the financial status of soldiers at Fort Riley.

The work is through a new collaborative project with the fort, named the Financial Resiliency of Fort Riley Service Members and Spouses.

"All Americans sometimes struggle with financial matters, and that does not exclude the military," said Mary Bell, one of the financial researchers and a doctoral student in [personal financial planning](#), Manhattan.

Along with Sonya Britt, assistant professor with K-State's Institute of Personal Financial Planning in the College of Human Ecology, the duo is collecting and analyzing information on the current financial situations of deploying soldiers from Fort Riley. Data also will be gathered on how the soldiers and their families manage the pay increases and extra benefits they receive while deployed to a combat zone. After completion, findings will be shared with officials at Fort Riley, who may use the material in financial management and education programs.

For military members, personal financial matters often carry over into the job.

"For example, if I had a really poor credit score, my boss would most likely not know and it wouldn't affect my life on a day-to-day basis,"

Bell said. "But service members who need a security clearance will have a background check where they will pull their credit score. And if you can't get that clearance in the military, you essentially lose your job."

According to Britt, the thought is that soldiers who are struggling with financial matters may not be mentally or financially prepared for overseas deployment.

In November Britt and Bell dispensed a voluntary questionnaire to 2,000 Fort Riley service members before deployment. The survey included questions such as "Do you talk about finances with your spouse?" and "How much debt are you currently in?"

Upon return to the U.S., the same group of soldiers who completed the initial questionnaire will be asked to complete a follow-up survey measuring their financial practices throughout their yearlong deployment. This study will be the largest publicly collected sample by a university regarding financial matters of U.S. Army soldiers.

"Resiliency is a really big focus of the military, and this data is about that financial resiliency," Britt said. "Although we personally won't be offering any counseling or money management advice, we're helping those service members and their families become financially resilient by collecting this data and giving it to Fort Riley so they can see what's going on before and after deployment."

Britt and Bell began surveying military spouses in late January.

Although the data analysis and collection isn't complete, Bell and Britt say they have noticed some interesting trends, including:

- * Demographically, of the 700 who completed the survey, the respondent's average age was 26 years old. Roughly 50 percent have a

high school education or GED, while around 40 percent have some college education. Eight percent completed a bachelor's degree and 1 percent completed a graduate degree.

* Half of the participants have an emergency fund of less than \$500.

"Generally it's recommended to have 3-6 months of your expenses in an emergency account. In this case, \$500 won't really stretch that far," Britt said.

* Eleven percent have credit card debt of \$5,000 or more. The exact amount of credit card debt of respondents is unknown, but the numbers seem comparable to the national average of \$7,000 in [credit card](#) debt, according to Britt.

* About 75 percent indicated they have an internal locus of control.

"Despite being issued orders, this means a majority of [soldiers](#) feel they have control over their destiny, choices and consequently finances," Bell said.

Provided by Kansas State University

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